

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

January 8, 2010

Ref. No.: RPS-6596
PSF No.: 09HD-~~027~~ / 61

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

HAWAII

Termination of Revocable Permit No. S-6596 to Clyde Coatney (deceased);
Issuance of Revocable Permit to Bougainvillea Plaza Limited Partnership for
Parking and Loading/ Unloading Zone Purposes, Keauhou 1st, North Kona, Hawaii,
Tax Map Key: 3rd/ 7-5-06: 34.

APPLICANT:

Bougainvillea Plaza Limited Partnership, a domestic limited partnership.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government Road Reserve, situated at Lanihau, North Kona, Hawaii,
identified by Tax Map Key: 3rd/ 7-5-06: portion of 34, as shown on the attached map
labeled Exhibit A.

AREA:

.0412 acres (1,794 s.f.), more or less.

ZONING:

State Land Use District:	Urban
County of Hawaii CZO:	V-.75 (Hotel-Resort)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:

YES ____ NO x

CURRENT USE STATUS:

Road Reserve.

Encumbered by Revocable Permit No. S-6596, Clyde Coatney (deceased), Permittee, for loading and unloading zone purposes.

CHARACTER OF USE:

For parking with loading and unloading zone purposes.

COMMENCEMENT DATE:

To be determined by Chairperson

MONTHLY RENTAL:

To be determined by staff appraiser, subject to review and approval by the Chairperson.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states " Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion of change of use beyond that previously existing."

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>x</u>	NO
Registered business name confirmed:	YES <u>x</u>	NO
Applicant in good standing confirmed:	YES <u>x</u>	NO

REMARKS:

At its meeting of November 18, 1988, Item F-1-c, the Board of Land and Natural Resources approved the issuance of a month-to-month revocable permit to Clyde Coatney for loading and unloading zone purposes. At time of submittal, comments were solicited from various government agencies, which included comments from the County Planning Department. The County Planning requested that the remnant parcel not be sold and remain under public ownership as it will be needed in the near future for road /traffic improvements. The County Planning had no objections to the issuance of a revocable permit to Clyde Coatney for its proposed use.

The proposed use is allowable in the county zoning.

In attempts to update the permit language of our existing revocable permits, the Office of the Attorney General needed to confirm the marital status of Mr. Clyde Coatney, as permittee. A call to his office revealed that Mr. Coatney had passed away on February 4, 2008. Reba Coatney, wife of permittee was contacted to inquire if the revocable permit is still required. Mrs. Coatney apologized for her oversight to notifying HDLO of her husband's passing and indicated that she now runs the business and that the permit is necessary to the operations of their business. The revocable permit for parking, loading and unloading purposes services a commercial building on an adjacent lot identified as Tax Map Key: 3rd/ 7-5-06: 28.

By letter dated October 16, 2009, Mrs. Reba Coatney, requested that Revocable Permit No. S-6596 be cancelled due to the passing of her husband, Clyde Coatney and that a new revocable permit be re-issued under her name for the same use.

Although the prior permit was issued to Clyde Coatney as an individual, since 2001 the owner of the property containing the commercial building serviced by the revocable permit has been Bougainvillea Plaza Limited Partnership. The partnership consists of C.D. Coatney LLC, R.M. Coatney LLC, and Catherine J. Coatney, where Reba Coatney is the principal of R.M. Coatney LLC. To be consistent with this change in ownership, the revocable permit will be issued to Bougainvillea Plaza Limited Partnership as the landowner of the property the revocable permit will service.

Bougainvillea Plaza Limited Partnership has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Mrs. Coatney, principal of R.M. Coatney LLC and a partner of the Bougainvillea Plaza Limited Partnership, is qualified to be using the land as she along with her husband, have been running their business in the same location for the past twenty years.

To date, there are no other applicants requesting use of the subject parcel.


A month-to-month tenancy is preferred because the county has indicated its interest to some day acquire the remnant parcel for road and traffic improvement purposes.


No comments were solicited, as there will be no change in land use and although a new permit will be issued, it is technically only a name change due to the passing of Applicant's husband, who was the permittee on record.

RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment;
2. Authorize the termination of Revocable Permit No. S-6596 to Clyde Coatney and issue a new revocable permit to Bougainvillea Plaza Limited Partnership, covering the subject area for parking and loading/ unloading zone purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and
 - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Wesley T. Matsunaga
Land Agent 

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson 



EXHIBIT A